

Abstract

As the mobile phone industry in Kenya gets competitive, customer retention becomes an imperative precursor to firm performance. For this reason, the study was so conceived to examine factors that influence customer perceived value amongst Kenyan mobile phone customers. The study analysed perceived service quality and the perception of price amongst cell phone users. A survey of 400 randomly selected respondents was undertaken. A structured instrument covering background information, customer expectation and customer perception was adopted in primary data collection. The results shows that perceived quality of service and perceived price determine customer's perception of value. The results indicate the existence of a significant differences exist between what customers expect and what they perceive they experience after a service encounter. Service managers should compete on providing services of high value to gain a competitive edge in this market.